



News From:
U.S. Congressman John B. Larson
serving Connecticut's First District
1005 Longworth House Office Building
Washington, DC 20515
221 Main Street, 2nd Floor
Hartford, CT 06106

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LARSON BLASTS DRUG REIMPORTATION PLAN

WASHINGTON, D.C. ♦ U.S. Congressman John B. Larson (CT-01) today attacked what he called the "watered-down" prescription drug reimportation provision that has been included in the conference report for H.R. 4461, the Agriculture Appropriations bill for fiscal year 2001. While Larson praised the idea behind the provision; lower prescription drug costs for Americans, he said the plan that is currently included in the bill is inadequate and contains too many loopholes, which render the legislation ineffective.

"I do not believe that this provision will address the real concerns of those people who are dependent on their prescriptions drugs, and are suffering financially because of their costs," said Larson. "I am worried that this is part of an effort to establish the appearance that action is being taken on the issue of prescription drugs, without actually solving the whole problem. And while I applaud any effort to reduce the cost of prescription drugs, I do not feel that this is an effective way of doing it. There should be a reasonable and affordable prescription drug benefit under Medicare."

"This is a sham piece of legislation designed to allow drug companies to continue to make outrageous profits off of senior citizens in America. This is why money must be removed from the political process, because as long as drug company money floats freely into it ♦ this is the kind of trickery that will continue to rule the day. The greatest generation of Americans; the same generation that persevered through the Second World War; the same generation that lived through the Great Depression is now being sold down the river in exchange for advancing the interests of the pharmaceutical companies. This is a campaign year smoke and mirrors tactic that nearly every credible source has dismissed as useless and not credible. This is a sad day for this Congress, but an even sadder day for the elderly people who thought they might get some relief this year," said Larson.

The reimportation provisions included in the bill are set to expire after 5 years and requires proof that the program would reduce costs according to its promise, which is difficult to prove in advance. The provisions would allow drug companies to enter into restrictive contracts, which limit the supply of drugs, and set artificially high prices. The bill would also allow drug companies to get around labeling rules on drugs which would preclude those drugs from being re-imported into the United States.

Larson is a co-sponsor of HR 1885, the International Prescription Drug Parity Act, which would require manufacturers of certain drugs manufactured and approved in the U.S. and then exported, or manufactured in a foreign country and are U.S. approved, to maintain specified shipment compliance and labeling records. Additionally, the legislation would make such records available to U.S. importers. It would also direct the Secretary of Health and Human Services to establish related criteria to facilitate the U.S. importation of such drugs.

Larson has commissioned two studies on prescription drug costs for seniors in the First District. The first, which was released in May of 1999, showed that senior citizens in the District are charged far more for their prescription drugs than drug companies' favored customers, such as the federal government, health maintenance organizations, and the large insurance companies. Larson requested the report after he co-sponsored H.R. 664, the Prescription Drug Fairness for Seniors Act, aimed at lowering the costs that seniors pay for prescription drugs.

The second study was compiled by the U.S. House Committee on Government Reform at the request of Congressman Larson and was released in December 1999. The report found that senior citizens in the First District would find the cost of their prescription drugs drastically reduced if they were purchased in either Canada or Mexico.

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